GIBNEY, ANTHONY & FLAHERTY, LLP

John Macaluso (JM-2058) 665 Fifth Avenue New York, New York 10022 (212) 688-5151 (212) 688-8315 – fax

Of Counsel: STEPHEN M. GAFFIGAN, P.A. Stephen M. Gaffigan 312 S.E. 17th Street – Second Floor Ft. Lauderdale, Florida 33316 (954) 767-4819 (954) 767-4821 - fax

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

CHANEL, INC., a New York Corporation,

Plaintiff,

-against-

LINDA ALLEN a/k/a LINDA ROONEY a/k/a COURTNEY ALLEN d/b/a EUROPEANBEAUTYFASHIONS.COM d/b/a EUROPEAN BEAUTY FASHIONS d/b/a MYCLASSYFASHION.COM d/b/a MY CLASSY FASHION d/b/a ULTIMATEDESIGNERSHANDBAGS.COM d/b/a ULTIMATE DESIGNER HANDBAGS and DOES 1-10,

Defendants.

CASE NO. 07 CV 4858 (NRB)

JOINT STATUS REPORT PURSUANT TO THE COURT'S SEPTEMBER 5, 2007 ORDER

Pursuant to Your Honor's instructions at the September 5, 2007 Initial Conference, the parties hereby submit the following status report:

The parties have been unable to resolve this matter. Defendant's counsel only today provided Plaintiff's counsel with copies of Defendants' sales records and supporting

documentation. Based upon cursory review, the information provided by Defendants differs from that which Plaintiff already possesses.

Plaintiff now plans to commence formal discovery.

Defendant's position, to which Plaintiff does not agree, is that there is less than \$2,000 of sales involved from 2005 through March, 2007 and that discovery should be quick followed by a trial on damages.

Respectfully submitted,

GIBNEY, ANTHONY & FLAHERTY, LLP

Maluso

hn Macaluso 665 Fifth Avenue New York, NY 10022

(212) 688-5151

(212) 688-8315 - fax

Counsel for Plaintiff

Chanel, Inc.

DATED: Ocrober 5, 2007

DATED: OCTOBER 5 , 2007

By:

Carl E. Person

325 W. 45th Street-Suite 201

New York, New York 10036

(212) 307-4444

(212) 307-0247 - fax

Counsel for Defendant

Linda Allen